

REFERENCE TITLE: budget stabilization fund; repeal

State of Arizona
House of Representatives
Forty-seventh Legislature
Second Regular Session
2006

HB 2193

Introduced by
Representatives Biggs, Groe, Quelland

AN ACT

REPEALING SECTIONS 35-144, 35-314.02 AND 41-622.02, ARIZONA REVISED STATUTES;
AMENDING SECTION 43-206, ARIZONA REVISED STATUTES; RELATING TO THE BUDGET
STABILIZATION FUND.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Repeal

3 Sections 35-144, 35-314.02 and 41-622.02, Arizona Revised Statutes, are
4 repealed.

5 Sec. 2. Section 43-206, Arizona Revised Statutes, is amended to read:

6 43-206. Urban revenue sharing fund: allocation: distribution

7 A. There is established an urban revenue sharing fund. ~~For fiscal~~
8 ~~year 2000-2001 and fiscal year 2001-2002, the urban revenue sharing fund~~
9 ~~shall consist of an amount equal to fifteen per cent of the net proceeds of~~
10 ~~the state income taxes for fiscal year 1998-1999 and 1999-2000,~~
11 ~~respectively. For fiscal years 2002-2003 and 2003-2004, the fund shall~~
12 ~~consist of an amount equal to fifteen per cent of the amount of monies~~
13 ~~transferred pursuant to law in fiscal year 2000-2001 and 2001-2002,~~
14 ~~respectively, from the budget stabilization fund to the tax refund account of~~
15 ~~the state general fund plus fourteen and eight-tenths per cent of the net~~
16 ~~proceeds of the state income taxes, not including any amounts transferred~~
17 ~~from the budget stabilization fund to the tax refund account, for fiscal year~~
18 ~~2000-2001 and 2001-2002, respectively. For fiscal year 2004-2005 and each~~
19 ~~fiscal year thereafter, the fund shall consist of an amount equal to fifteen~~
20 ~~per cent of the net proceeds of the state income taxes for the fiscal year~~
21 ~~two years preceding the current fiscal year. The fund shall be distributed~~
22 ~~to incorporated cities and towns as provided in this section. The transfer~~
23 ~~of net proceeds prescribed by section 49-282, subsection B does not affect~~
24 ~~the calculation of net proceeds prescribed by this subsection.~~

25 B. Each city or town shall share in the urban revenue sharing fund in
26 the proportion that the population of each bears to the population of
27 all. Except as provided by sections 42-5033 and 42-5033.01, the population
28 of a city or town as determined by the most recent United States decennial
29 census plus any revisions to the decennial census certified by the United
30 States bureau of the census shall be used as the basis for apportioning
31 monies pursuant to this subsection.

32 C. The treasurer, upon instruction from the department, shall
33 transmit, no later than the tenth day of each month, to each city or town an
34 amount equal to one-twelfth of that city's or town's total entitlement for
35 the current fiscal year from the urban revenue sharing fund as determined by
36 the department.

37 D. A newly incorporated city or town shall share in the urban revenue
38 sharing fund beginning the first month of the first full fiscal year
39 following incorporation.

40 E. On receipt of a certificate of default from the greater Arizona
41 development authority pursuant to section 41-1554.06 or 41-1554.07, the state
42 treasurer, to the extent not otherwise expressly prohibited by law, shall
43 withhold from the next succeeding distribution of monies pursuant to this
44 section due to the city or town the amount specified in the certificate of
45 default and immediately deposit the amount withheld in the greater Arizona

1 development authority revolving fund. The state treasurer shall continue to
2 withhold and deposit the monies until the authority certifies to the state
3 treasurer that the default has been cured. In no event shall the state
4 treasurer withhold any amount that is necessary, as certified by the
5 defaulting political subdivision to the state treasurer and the authority, to
6 make any required deposits then due for the payment of principal and interest
7 on bonds of the political subdivision that were issued prior to the date of
8 the loan repayment agreement or bonds and that have been secured by a pledge
9 of distributions made pursuant to this section.

10 Sec. 3. Transfer of monies

11 All monies remaining unexpended and unencumbered on the effective date
12 of this act in the budget stabilization fund and the consumer loss recovery
13 fund are transferred to the state general fund.